



NEVADA
FALLS



Appeals

Property Taxes

The Members of the Board of Equalization hear appeals concerning the assessed values of state-assessed properties, private railroad cars, and taxable properties owned by local governments but located outside their boundaries. The Members also hear appeals of timber tax decisions and welfare exemption claim denials. While disputes may be resolved through discussion with staff, the Board Members make the ultimate decision on all property tax appeals.

In 2004-05, taxpayers filed 116 property tax appeals with the Board:

- 52 petitions from state-assessed public utilities.
- 1 petition from a private railroad car company.
- 1 welfare exemption claim.

Sales & Use Taxes and Special Taxes & Fees

Taxpayers who disagree with staff decisions regarding taxes or fees they owe may seek resolution through the Board's administrative appeals process. The process begins with filing a written appeal (petition for redetermination) and discussions with Board staff. The appeal may progress through a series of steps to a hearing before the Board Members.

Petitions for redetermination filed this year included

- 1,680 sales and use tax appeals.
- 186 special taxes and fee appeals.

A taxpayer whose appeal is denied by the Board may file a timely claim for refund. If the Board denies the claim, the taxpayer may file a refund action in superior court.

The agency offers a settlement program for certain tax and fee disputes. In 2004-05, staff settled 127 sales and use tax cases for a total settlement amount of \$11.24 million. The Board approved eight special taxes or fee settlements for a total settlement amount of \$453,000.

The agency also has an offer in compromise program for closed businesses that cannot pay the full tax or fee amounts they owe.



Franchise and Personal Income Taxes

The elected Board Members serve as the administrative appeal body over final actions by the California Franchise Tax Board (FTB). In that capacity, the Board Members interpret and apply the state's franchise and income tax laws. The Members hear appeals filed under the

- Bank and Corporation Tax Law.
- Personal Income Tax Law.
- Homeowner and Renter Property Tax Assistance Law.

If a taxpayer disagrees with a determination by the FTB, the taxpayer may appeal that determination to the Board of Equalization. The Board's Appeals Section evaluates the issues of law and fact for each appeal based on the information provided by each party. The Board Members review the staff evaluation and any additional information found in the written record or provided at a hearing and make a final determination. If the Board denies a taxpayer's appeal, the taxpayer may file a refund action in superior court.

While any taxpayer dissatisfied with a final action of the FTB may file an appeal with the Board of Equalization, taxpayers who have paid their tax liability may choose instead to file an action in superior court. Consequently, the appeal figures in the following sections do not necessarily reflect the total number of California taxpayers who disputed a final action by the FTB in 2004-05.



Stanley Steamer

Arthur Holmes and Frank Holmes, two brothers from San Jose, California, enter Yosemite in their Stanley Steamer in 1900. The car was the second automobile to drive into the valley when cars were allowed on the Wawona Road, a stage coach road built 25 years earlier.



Franchise and Personal Income Taxes

In 2004-05, the Board acknowledged 705 appeals filed under the Bank and Corporation Tax Law and the Personal Income Tax Law. The Board issued 355 decisions, considering 63 of the cases at oral hearings and deciding the remaining appeals based upon a review of the written record. Seventy of the appeals were petitions for rehearing.

Homeowner and Renter Assistance

In 2004-05, the Board acknowledged 804 homeowner and renter assistance appeals. The Board dismissed 239 appeals because the FTB paid the appellants' claims in full or in part, or because the appellants agreed with the FTB that they were not entitled to the assistance. The Board issued 380 decisions, considering 11 of the cases at oral hearing and deciding the remainder based on review of the written record. Applicants filed seven petitions for rehearing.